

Wilson Praises Credit Card Reforms Taking Effect This Week

WASHINGTON, DC –The first provisions of the Credit CARD Act went into effect today, Thursday, August 20, as part of a reform package that will help protect consumers from excessive credit card fees, retroactive interest rate hikes and unfair, incomprehensible agreements that credit card companies revise at will. Congressman Charlie Wilson (OH-6) praised the reforms, calling them “necessary consumer protections.”

Starting today:

- Credit card companies must provide written notice to consumers at least 45 days in advance of any increases in the interest rate or other significant changes in the terms of a credit card account.
- Credit card companies must inform consumers of their right to cancel the card before rate hikes go into effect.
- Credit card companies must send statements to consumers 21 days before the due date of any payments.

“The Credit CARD Act will help put an end to the abusive and deceptive practices that drive so many Americans deeper and deeper into debt,” Wilson said. “These provisions include necessary consumer protections, and they are just the first step towards ensuring that hard-working Americans who play by the rules are treated fairly by their credit card companies.”

By February 2010, many of the new law’s remaining provisions will kick in including a ban on double-cycle billing and rate hikes on existing balances.

“This legislation gives Americans the information they need to make smart decisions about their financial lives,” Wilson said. “It’s about fairness for the American consumer, and it’s a crucial part of rebuilding our economy.”